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BEFORE THE ARIZONA CORPORATION

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GARY PIERCE - Chairman 2012 JUL 20 A 11: 09
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SANDRA D. KENNEDY

PAUL NEWMAN BRENDA BURNS A CORP COMMISSION DOCKET CONTROL

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Arizona Corporation Commission
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DOCKETED BY

DOCKET NO. S-20837A-12-0061

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In the matter of:

OUT OF THE BLUE PROCESSORS, LLC, an Arizona limited liability company, d/b/a Out of the Blue Processors II, LLC; and

MARK STEINER (CRD #1834102) and SHELLY STEINER, husband and wife,

Respondents.

FOURTH

PROCEDURAL ORDER (Schedules Status Conference)

BY THE COMMISSION:

On February 22, 2012, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against Out of the Blue Processors, LLC ("OBP"), an Arizona limited liability company dba Out of the Blue Processors II, LLC, and Mark Steiner and Shelly Steiner, husband and wife, (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of certificates of interest or investment contracts.

Respondent spouse, Shelly Steiner, was joined in the action for the purpose of determining the liability of the marital community pursuant to A.R.S. §44-2031(C).

The Respondents were duly served with copies of the T.O. and Notice.

On March 14, 2012, Respondents filed a request for hearing in this matter.

On March 15, 2012, by Procedural Order, a pre-hearing conference was scheduled on April 12, 2012.

On April 10, 2012, Respondents' counsel filed a Motion to Continue the pre-hearing conference because his client was out of the country on business and was not expected to return until the end of the month. It was indicated that Division did not oppose the motion.

On April 11, 2012, by Procedural Order, the pre-hearing conference was continued to May 16, 2012.

On May 16, 2012, the Division and Respondents appeared with counsel. Counsel for the Division indicated that the parties were discussing the issues raised by the T.O. and Notice, and requested that a status conference be scheduled in approximately 60 days. Respondents agreed with the Division's request to schedule a status conference. Subsequently, by Procedural Order, a status conference was scheduled on July 19, 2012.

On July 19, 2012, the Division and Respondents appeared through counsel at the status conference. Counsel for the Division indicated that the parties are continuing to discuss the issues raised by the T.O. and Notice, and are attempting to reach a settlement in the proceeding. In the interim, the Division requested that another status conference be scheduled in approximately 60 days. Respondents agreed with the Division's request to schedule a status conference.

Accordingly, a status conference should be scheduled.

IT IS THEREFORE ORDERED that a status conference shall be held on October 4, 2012, at 9:30 a.m., at the Commission's offices, 1200 West Washington Street, 2nd Floor Conference Room, Phoenix, Arizona.

IT IS FURTHER ORDERED that the Division shall file a Motion to Vacate the status conference if a settlement is reached prior to the status conference.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) is in effect and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the Rules of the Arizona Supreme Court). Representation before the Commission includes appearances at all hearings and procedural conferences, as well as all Open Meetings for which the matter is

scheduled for discussion, unless counsel has previously been granted permission to withdraw by the 1 2 Administrative Law Judge or the Commission. IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter, 3 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by 4 5 ruling at hearing. DATED this day of July, 2012. 6 7 8 9 MARC E. STERN 10 ADMINISTRATIVE LAW JUDGE 11 Copies of the foregoing mailed/delivered 12 this 2012 day of July, 2012 to: 13 Arthur P. Allsworth 7501 North 16th Street, Suite 200 14 Phoenix, AZ 85020-4677 Attorney for Respondents 15 Matt Neubert, Director 16 Securities Division ARIZONA CORPORATION COMMISSION 17 1300 West Washington Street Phoenix, AZ 85007 18 ARIZONA REPORTING SERVICE, INC. 19 2200 North Central Avenue, Suite 502 Phoenix, AZ 85004-1481 20 21 By: 22 Secretary to Marc E. Stern 23 24 25 26

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